

City Light Issue Paper (CLIP) Acceptance of Indemnity Provisions BNSF Permit for Electric Line Crossing

| | | | |
|-----------------------------------|---------------------------|--|---|
| Date of this Brief | July 2, 2012 | | |
| Supersedes | N/A | | |
| Key Contacts | Name(s) | Phone | Short Title |
| | Jim Baggs | 4-3260 | SCL Officer, Power Supply & Env Affairs |
| | Lynn Best | 6-4586 | SCL Director, Env Affairs & Real Estate |
| | Dave Barber | 4-0400 | SCL Real Estate Manager |
| | John Bresnahan | 4-3324 | SCL Sr. Real Property Agent |
| Council Action Required? | Y | If YES, within the next 3 months? | Y |
| Public Hearing Required? | N | | |
| Presenters (if applicable) | Lynn Best and Dave Barber | | |

Summary Statement

This legislation allows City Light to enter into a permit with indemnity provisions for an electric line crossing of the Burlington Northern Santa Fe Railroad Company (BNSF) right-of-way in the vicinity of Golden Gardens Park.

Background

City Light must rebuild an existing overhead electric line crossing of BNSF's right-of-way, in the vicinity of Golden Gardens Park. This rebuild is necessary as part of the 4 kV to 26 kV conversion of the electric distribution system within the Park.

BNSF routinely issues permits to utilities to allow electric line crossings of the railroad right-of-way. These permits contain certain indemnity provisions that obligate the utilities to release, indemnify, defend, and hold harmless BNSF, under various circumstances, for damages that may be caused by or may result from the construction and subsequent operation of the electric line crossings.

Pursuant to RCW 35.32A.070, City Council approval by ordinance is required for the acceptance of any such indemnity obligations that could result in expenditures for utility purposes not contemplated in the annual budget.

Key Issues

- Legislation is required for the acceptance of indemnity obligations that could result in expenditures for utility purposes not contemplated in the annual budget.
- The project cannot move forward without these permits.

Next Steps

- Execute permit with BNSF.